

Operational Decision Record

Publication Date 26/10/23	Decision Reference Number 5051
Decision Title	
Geographical Information System (GIS) Contract Renewal (three-years + two-year option)	
Decision Value	
Total value £289,020 (three-years £167,747 with additional two-year option (£121,273))	
Revenue or Capital Spend?	
Revenue	
Department	
Growth & City Development	
Contact Officer (Name, job title, and contact details)	
Mick Dunn, Business Development Specialist, GIS Team, mick.dunn@nottinghamcity.gov.uk	
Decision Taken	
To approve a three-year maintenance and support contract, with a two-year optional extension, for corporate Geographical Information System (GIS) software with a total value of £289.020 (met from the existing budget provision).	
Reasons for Decision and Background Information	
<p>The decision needs to be taken as support and maintenance for GIS software is due for renewal. The Council currently uses the GIS (supplied by ESRI UK Ltd) as a corporate data management, mapping and analytical solution in support of a number of key business functions, statutory responsibilities and customer facing web services. The solution also integrates with a number of key ICT business systems to ensure daily business processes are delivered.</p> <p>Each year the Council must purchase software maintenance and support in order to keep the corporate GIS system up to date, to take advantage of software enhancements; and receive support in the event that a problem should arise and/or guidance is required. If the annual maintenance and support is not purchased, then any software issues that occur will not be resolved by the supplier. A system failure would put many business operations at risk.</p> <p>The company (ESRI) which own the intellectual property rights to the solution is the only provider of the level of support and maintenance required. This means that products and services required cannot be tendered for. There are no viable technology alternatives to this software system without additional capital and</p>	

revenue costs incurred as a result of re-licensing, consultancy and staff re training costs at this time.

Entering into a three-year contract with a two-year optional extension offers value for money through reducing costs, as well as safeguarding against known software price increases associate with RPI and any future software cost increases.

Other Options Considered and why these were rejected

1) Support and maintenance is not renewed. This option is not considered viable given the scale of risk involved should a problem arise and would limit the Council to take advantage of future product enhancements and related operational efficiencies. Over time this would also prevent integration with other business systems across the Council and directly impact upon other operational business processes. For this reason, this option was not considered viable.

2) Competitive tender. Following a soft market testing exercise, this option is not considered viable due to the capital costs associated with the purchase of an alternative software system and the additional capital and revenue costs incurred as a result of re-licensing, consultancy and staff re training costs, with a lengthy payback period. For this reason, this option was not considered viable.

Reasons why this decision is classified as operational

The spending is associated to budget allocation for the day to day running of the business and its operations and is within the spending threshold for an operational decision.

Additional Information

IT Comments

The IT Service support the proposal to purchase continuing support and maintenance for the GIS software used by the Council. The IT Service will provide any required support to colleagues in the GIS Team around this procurement on its usual project basis.

Software support and maintenance is essential for the continued operation of systems. It provides access to patches and upgrades that ensure systems operate effectively, some of which will address issues that if left untreated would expose the Council to cyber security risks.

Advice provided by Paul J Burrows, IT Change, Projects & Strategy Manager,
24 Oct. 2023

Procurement Comments

This report concerns the appointment of a supplier to provide the support and maintenance for GIS software that is due for renewal via a compliant framework and therefore the decision to be taken raises no significant procurement concerns.

Advice provided by Paul Ritchie (Procurement Manager) on 23/10/2023.

Finance Comments

The decision to approve a £167,747 three-year maintenance and support contract (with option to extend at a cost of £121,173 for two years) for the graphical information mapping system, which provide support for various Nottingham city council activities, including statutory duties is supported.

The cost of this support contract is already in the budget and if any changes are required this must be written in the budget and ensured that relevant departments are notified and are recharged at an agreed and realistic rate, reflecting the updated cost. The cost per financial year is shown in the table below. As this function is both required to allow Nottingham city council to perform its statutory duties and is provided at an already budgeted and recharged rate, this will not affect the MTFP and is supported.

Financial Year	Total cost
23/24	22,151
24/25	54,909
25/26	56,102
26/27	58,907
27/28	60,735
28/29	36,216

Total	289,020
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Advice provided by Paul Rogers (G&CD Business Partner) on 23/10/2023

Decision Maker (Name and Job Title)

Sajeeda Rose, Corporate Director Growth and City Development

Scheme of Delegation Reference Number

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Date Decision Taken

25/10/23